

LEGISLATURE OF NEBRASKA
NINETY-SEVENTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 1071

FINAL READING

Introduced by Beutler, 28

Read first time January 14, 2002

Committee: Banking, Commerce and Insurance

A BILL

1 FOR AN ACT relating to the Abstracters Act; to amend sections
2 76-537 to 76-539, 76-543, 76-545, and 76-547, Reissue
3 Revised Statutes of Nebraska, and section 76-542, Revised
4 Statutes Supplement, 2000; to define terms; to require
5 resident agents as prescribed; to change provisions
6 relating to fees; to authorize duplicate certificates of
7 registration; to prohibit certain acts by inactive
8 abstracters; to harmonize provisions; and to repeal the
9 original sections.
10 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 76-537, Reissue Revised Statutes of
2 Nebraska, is amended to read:

3 76-537. As used in the Abstracters Act, unless the
4 context otherwise requires:

5 (1) Abstract of title ~~shall mean~~ means a compilation in
6 orderly arrangement of the materials and facts of record affecting
7 the title to a ~~specific piece of land~~ real property, issued under a
8 certificate certifying to the matters contained in such
9 compilation;

10 (2) Board ~~shall mean~~ means the Abstracters Board of
11 Examiners;

12 (3) Business of abstracting ~~shall mean~~ means the making,
13 compiling, and selling of abstracts of title or any part thereof or
14 preparing written reports of title to real property;

15 (4) Business entity ~~shall mean~~ means a partnership,
16 limited liability company, corporation, or other organizational
17 form developed to conduct business;

18 (5) Certificate of authority ~~shall mean~~ means the
19 authorization to engage in the business of abstracting in a county
20 in the State of Nebraska granted to an individual or business
21 entity;

22 (6) Certificate of registration ~~shall mean~~ means the
23 authorization to prepare abstracts of title to real property in any
24 county within the State of Nebraska which is granted to an
25 individual under section 76-543;

26 (7) Duplicate certificate of registration means a second
27 or subsequent certificate of registration issued in this state for
28 an abstracter who (a) holds an operative certificate of

1 registration and (b) is employed by more than one holder of a
2 certificate of authority;

3 (8) Inactive abstracter means an abstracter whose
4 certificate of registration is not affiliated with an individual or
5 business entity engaged in the business of abstracting and holding
6 a certificate of authority;

7 (9) Professional development shall mean means a course of
8 educational instruction, including correspondence courses, designed
9 to maintain and improve the ability of registered abstracters to
10 provide services to the public;

11 ~~(8)~~ (10) Registered abstracter shall mean means an
12 individual, registered under the Abstracters Act, holding an
13 operative certificate of registration who for a fee or other
14 valuable consideration compiles or certifies abstracts of title or
15 any part thereof to real property in any county within this state
16 or who prepares reports of title; and

17 ~~(9)~~ (11) Report of title shall mean means any type of
18 summary of facts of record affecting the title to a ~~specific piece~~
19 ~~of land real property~~ which does not purport to constitute an
20 opinion as to the state of the title and which is prepared by a
21 person other than an attorney licensed to practice law in the State
22 of Nebraska. Report of title ~~shall~~ does not include a title
23 insurance commitment or policy or information or opinions given by
24 a register of deeds in response to inquiries from the public.

25 Sec. 2. Section 76-538, Reissue Revised Statutes of
26 Nebraska, is amended to read:

27 76-538. Any ~~person, firm, partnership, limited liability~~
28 ~~company, association, or corporation~~ individual or business entity

1 engaged in the business of abstracting in Nebraska shall ~~be~~
2 ~~required to be licensed as required by~~ comply with the Abstracters
3 Act.

4 Sec. 3. Section 76-539, Reissue Revised Statutes of
5 Nebraska, is amended to read:

6 76-539. (1) An individual or business entity shall not
7 engage in the business of abstracting in this state unless a
8 certificate of authority has been issued to such individual or
9 business entity.

10 (2) Every individual or business entity engaged in the
11 business of abstracting shall be or have in its employ a registered
12 abstracter. Only a registered abstracter may certify abstracts or
13 otherwise attest to the accuracy of abstracts or prepare reports of
14 title. An inactive abstracter shall not, for a fee or other
15 valuable consideration, compile or certify abstracts of title or
16 any part thereof to real property in any county within this state,
17 prepare reports of title, or in any way engage in the business of
18 abstracting.

19 Sec. 4. Section 76-542, Revised Statutes Supplement,
20 2000, is amended to read:

21 76-542. Any ~~person~~ individual desiring to become a
22 registered abstracter shall file an application for registration
23 with the board. Such applicant shall have reached the age of
24 majority, shall not have been convicted of a felony, and shall have
25 at least one year of verified land title-related experience
26 satisfactory to the board. Each applicant for registration shall
27 take the written examination prescribed by section 76-543.

28 Such application shall be in a form prepared by the

1 board and shall contain the applicant's social security number and
2 such information as may be necessary to assist the board in
3 determining the qualification of the applicant for registration.
4 Each such application shall be accompanied by (1) an application
5 fee of not less than twenty-five dollars or more than one hundred
6 dollars and (2) an examination fee of not less than twenty-five
7 dollars or more than one hundred dollars. The board shall
8 establish such fees based on the administrative costs of the board.

9 Upon receipt of such application the board shall notify
10 the applicant by mail whether the application has been accepted.
11 If the application has not been accepted, the examination fee shall
12 be returned to the applicant. If the application has been
13 accepted, the applicant shall be notified of the time and place of
14 the next scheduled examination.

15 The board shall adopt and promulgate rules and
16 regulations necessary to establish the experience standards and
17 administer the examination required for registered abstracters.

18 Sec. 5. Section 76-543, Reissue Revised Statutes of
19 Nebraska, is amended to read:

20 76-543. The board shall prescribe a written examination
21 to determine the proficiency of the applicant. If the applicant
22 passes the examination and meets the other requirements of section
23 76-542, the board shall issue ~~he or she shall be given~~ a
24 certificate of registration designating him or her to be a
25 registered abstractor. If the abstractor has more than one place
26 of employment, the abstractor shall obtain a duplicate certificate
27 of registration for each additional place of employment. ~~A The~~
28 certificate shall be prominently displayed at ~~the abstractor's~~ each

1 place of employment of such abstracter. If an applicant fails the
2 examination, he or she may reapply for registration by remitting
3 the examination fee. The board shall give the examination at least
4 twice a year.

5 Sec. 6. Section 76-545, Reissue Revised Statutes of
6 Nebraska, is amended to read:

7 76-545. Any individual or business entity desiring to
8 engage in the business of abstracting in this state shall make
9 application to the board for a certificate of authority. Such
10 application shall be in a form prepared by the board and shall
11 contain such information as may be necessary to assist the board in
12 determining whether the applicant has complied with the Abstracters
13 Act. Such application shall be accompanied by an application fee
14 of not less than twenty-five dollars or more than one hundred
15 dollars. The board shall establish such fee based on the
16 administrative costs of the board. The applicant shall furnish
17 proof that such applicant is or has employed a registered
18 abstracter and shall provide the name and address of a resident
19 agent for service of process under the act. When this section has
20 been complied with, the board shall issue a certificate of
21 authority in such form as it may prescribe, attesting to the same,
22 and such certificate shall be prominently displayed in the place of
23 business of the applicant.

24 Sec. 7. Section 76-547, Reissue Revised Statutes of
25 Nebraska, is amended to read:

26 76-547. ~~All certificates~~ Any certificate of authority or
27 certificate and ~~certificates~~ of registration, including any
28 duplicate certificate of registration, issued pursuant to sections

1 76-543 and 76-545 shall expire on April 1 of each year irrespective
2 of when issued. ~~Certificates of authority and certificates of~~
3 ~~registration~~ Such certificates shall be renewed, as provided in
4 this section, for a one-year period upon payment of a renewal fee
5 of not less than twenty-five dollars or more than ~~one~~ two hundred
6 dollars for a certificate of authority and not less than ten
7 dollars or more than ~~thirty~~ one hundred dollars for a certificate
8 of registration or duplicate certificate of registration. The
9 board shall establish such fee based on the administrative costs of
10 the board. Thirty to sixty days prior to the expiration date of
11 the certificates, the board shall cause a notice of expiration and
12 application for renewal, including a statement for the annual fee
13 for each certificate, to be mailed to each of the holders of such
14 certificates. The notice and application shall be in a form
15 prepared by the board.

16 The board shall not renew the certificate of registration
17 or duplicate certificate of registration for ~~of~~ any registered
18 abstracter who has failed to complete the professional development
19 requirements set forth in section 76-544, unless the registered
20 abstracter has shown good cause why he or she was unable to comply
21 with such requirements. If the board determines that good cause
22 was shown for not completing the professional development
23 requirements, the board shall permit the registered abstracter to
24 make up all outstanding hours of professional development within
25 six months of the renewal of ~~the certificate of registration~~ such
26 certificates. If the hours are not completed in six months, ~~the~~
27 ~~certificate~~ such certificates shall be revoked.

28 Sec. 8. Original sections 76-537 to 76-539, 76-543,

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1 76-545, and 76-547, Reissue Revised Statutes of Nebraska, and
2 section 76-542, Revised Statutes Supplement, 2000, are repealed.